

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0181-01  
Bill No.: HB 0061  
Subject: DSS - Div. of Family Services; Not-for-Profit Food Pantry Financial Assistance  
Type: Corrected  
Date: February 20, 2001  
#To correct omission of \$0 on range of fiscal impact

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue#	\$0 to (\$436,232)	\$0 to (\$523,688)	\$0 to (\$523,688)
<b>Total Estimated Net Effect on <u>All</u> State Funds#</b>	<b>\$0 to (\$436,232)</b>	<b>\$0 to (\$523,688)</b>	<b>\$0 to (\$523,688)</b>

**- SUBJECT TO APPROPRIATION-**

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

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## **FISCAL ANALYSIS**

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### **ASSUMPTION**

Officials from the **Department of Social Services - Division of Family Services (DFS)** assumes existing DFS staff will absorb all necessary administrative functions to operate this program. The DFS officials state the following information represents the potential cost to assume payment of the fees associated with this program and the data is based on a partial survey of food pantries that distribute federally donated agricultural commodities in addition to non-federal food products.

The DFS officials state the maximum Shared Maintenance Fee (SMF) that can be assessed is \$0.14 per pound. This fee is established by America's 2<sup>nd</sup> Harvest Food Bank national office. The DFS officials state that five (5) of the six (6) food banks assess the SMF. The Central Missouri Food Bank does not assess the SMF. The food banks that assess the SMF are:

- |  |               |
|--|---------------|
| • America's Second Harvest of Greater St. Joseph | \$0.17 (avg.) |
| • Bootheel Food Bank                             | \$0.14        |
| • Harvesters - The Community Food Network        | \$0.12        |
| • Ozarks Food Harvest                            | \$0.14        |
| • St. Louis Area Food Bank                       | \$0.07        |

The DFS officials state based on the Department of Social Services (DOS) survey results from all Missouri food pantries during the calendar year 1999 (FY 2000 data is not yet available), the following information reflects the cost and weight attributable to the SMF:

- \$1,716,448 SMF's
- 15,883,068 pounds
- \$0.1081 average SMF per pound
- 826 member pantries of which 252 (30.51%) distribute federally donated agriculture commodities through The Emergency Food Assistance Program (TEFAP)

Therefore, DFS officials estimate the potential annual cost of this program to be \$523,688 (\$1,716,448 x 30.51%). # **Oversight** assumes a range of \$0 to the amount stated by DFS, subject to appropriation.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>GENERAL REVENUE FUND</b>			
<u>Costs - Department of Social Services</u>			
Food Pantry Assistance	<u>\$0 to (\$436,232)</u>	<u>\$0 to (\$523,688)</u>	<u>\$0 to (\$523,688)</u>
<u>Total Costs - Department of Social Services</u>	<u>\$0 to (\$436,232)</u>	<u>\$0 to (\$523,688)</u>	<u>\$0 to (\$523,688)</u>
<b>ESTIMATED EFFECT ON GENERAL REVENUE FUND#</b>	<b><u>\$0 to (\$436,232)</u></b>	<b><u>\$0 to (\$523,688)</u></b>	<b><u>\$0 to (\$523,688)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

#### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

#### DESCRIPTION

This legislation provides the means for the Division of Family Services to give financial assistance to local not-for-profit food pantries operating throughout the state which distribute federally donated agricultural commodities as well as non-federal food products.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### SOURCES OF INFORMATION

HW-C:LR:OD (12/00)

Department of Social Services

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA  
Director

January 17, 2001